



*Center for Gun Policy and Research*

# Regulation and Oversight of Gun Dealers Reduces Trafficking to Criminals

Johns Hopkins Center for Gun Policy and Research faculty conducted a series of studies demonstrating that measures which heighten the accountability of gun dealers are linked with significantly lower rates of gun trafficking. These findings are relevant to legislation currently being considered in Congress – *The Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) Reform and Modernization Act* (S. 941 / H.R. 2296).

### *Regulation of Gun Dealers in the United States.*

U.S. federal law requires firearms dealers to be licensed by the ATF, to keep proper records of all sales, and to ensure that purchasers have passed a background check. Some states require retail gun sellers to also be licensed by the state or local governments, allow audits and inspections, and mandate anti-theft security measures.<sup>1</sup>

### *Gun Dealer Regulations and Oversight Linked with Less Trafficking.*

Using data from ATF crime gun traces from 54 U.S. cities, legal research on state gun sales laws, and surveys of law enforcement, we found that comprehensive state or local regulation of gun dealers, coupled with regular compliance inspections, were associated with significantly less trafficking of guns to criminals.<sup>2</sup> This 2009 study was the first to incorporate measures of the enforcement of gun sale laws into a study of the effectiveness of these laws.

### *Stings and Lawsuits Against Gun Dealers Reduce Flow of Guns to Criminals.*

A study published in 2006 examined the effects of undercover stings and lawsuits against gun dealers who had sold large numbers of guns traced to crime and allowed illegal straw purchases. These measures were associated with decreases in the flow of new guns from in-state gun dealers to criminals of 62 percent in Chicago and 36 percent in Detroit. The threat of undercover stings and lawsuits apparently deterred gun dealers from business practices that make it easier for criminals to obtain guns.<sup>3</sup>

### *Gun Dealer Sales Practices Can Influence Diversion of Guns to Criminals.*

A related study examined the effect a single gun dealer had on the flow of new guns to criminals in Milwaukee. In 1999, a report revealed that a gun dealer in West Milwaukee (WI) had sold more guns that were later traced to crime than any other gun dealer in the nation. Within days of this report appearing in the news, that gun dealer announced the store would no longer sell the small and poorly-made handguns most commonly linked to crime. We found that the rate at which guns sold by the dealer were recovered by police within a year of retail sale dropped by 73 percent.<sup>4</sup> In this case, the risk of additional bad publicity or greater scrutiny by the ATF appeared to motivate changes in a gun dealer's sales practices, which, in turn, dramatically reduced the number of new guns supplied to criminals.

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## *Proposed Federal Legislation Would Weaken Laws Regulating Gun Dealers.*

The ATF Reform and Modernization Act, under consideration by Congress, would make several important changes that would weaken law enforcement's ability to hold scofflaw gun dealers accountable. It would increase evidentiary standards for prosecuting gun sales law violations, relax record-keeping requirements, weaken penalties for gun sales law violations, make license revocations more difficult, and prevent ATF notification of bulk gun purchases to local police.<sup>5</sup> None of these provisions would be expected to influence law-abiding citizens' ability to purchase firearms. The research described above, as well as new research on interstate gun trafficking and gun laws, provides evidence that policies which lessen the accountability of gun dealers are likely to lead to more gun trafficking.

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## **References**

<sup>1</sup> Vernick JS, Webster DW, Bulzacchelli MT, Mair JS. Regulation of firearm dealers in the United States: an analysis of state law and opportunities for improvement. *Journal of Law, Medicine, and Ethics* 2006;34:765-775.

<sup>2</sup> Webster DW, Vernick JS, Bulzacchelli MT. Effects of state-level firearm seller accountability policies on firearms trafficking. *Journal of Urban Health* 2009;86:525-537.

<sup>3</sup> Webster DW, Zeoli AM, Bulzacchelli MT, Vernick JS. Effects of police stings of gun dealers on the supply of new guns to criminals. *Injury Prevention* 2006;12:225-230.

<sup>4</sup> Webster DW, Vernick JS, Bulzacchelli MT. Effects of a gun dealer's change in sales practices on the supply of guns to criminals. *Journal of Urban Health* 2006; 83:778-787.

<sup>5</sup> Mayors Against Illegal Guns. *HR 2296/S. 941 – Threatening Law Enforcement's Efforts at Fighting Illegal Guns*. <http://www.mayorsagainstillegalsguns.org/html/federal/hr4900.shtml> accessed Sept. 9, 2010.

<sup>6</sup> Mayors Against Illegal Guns. *Trace the Guns: The Link Between Gun Laws and Interstate Gun Trafficking*. September 2010. <http://www.TraceTheGuns.org>.